

**Docket No:** 13-0498  
**Bench Date:** 03-19-14  
**Deadline:** 03-19-14

**M E M O R A N D U M**

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**TO:** The Commission

**FROM:** J. Stephen Yoder, Administrative Law Judge

**DATE:** March 10, 2014

**SUBJECT:** Ameren Illinois Company  
d/b/a Ameren Illinois.

Approval of the Energy Efficiency and Demand-Response Plan pursuant to 220 ILCS 5/8-103 and 220 ILCS 5/8-104.

**RECOMMENDATION:** Deny the February 27, 2014 Applications for Rehearing filed by the People of the State of Illinois, the Citizens Utility Board and the Environmental Law & Policy Center; the Environmental Law & Policy Center and the Citizens Utility Board; and the Motion for Clarification/Correction or in the Alternative Application for Rehearing filed by Ameren Illinois Company.

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On January 28, 2014, the Commission entered a final order ("Final Order") in this proceeding. On February 27, 2014, Ameren Illinois Company d/b/a Ameren Illinois ("Ameren") filed a Motion for Clarification/Correction or in the Alternative Application for Rehearing. On that same day, the People of the State of Illinois ("the AG"), the Citizens Utility Board ("CUB") and the Environmental Law & Policy Center ("ELPC") jointly filed a Petition for Rehearing. Also on that same day, ELPC and CUB jointly filed a Petition for Rehearing.

The AG/CUB/ELPC request that the Commission modify its finding that permits Ameren to adjust savings goals to be consistent with the Commission Order in Docket No. 13-0495 relating to Commonwealth Edison Company's ("ComEd's") energy and demand-response plan. The AG/CUB/ELPC claim that order specifically rejected such savings modifications for ComEd.

The AG/CUB/ELPC also request that the finding related to portfolio flexibility be modified with the Commission's finding in the Docket No. 13-0495. They claim the change is necessary to ensure consistent program practices and incorporate stakeholder input.

In its joint application for rehearing, ELPC/CUB request rehearing to certify voltage optimization ("VO") as an energy efficiency measure and to require that Ameren conduct a feasibility/potential study to determine the energy savings and costs of a

system-wide, Advanced Metering Infrastructure ("AMI")-enabled VO implementation (both Conservation Voltage Reduction ("CVR") and Volt-Var Optimization ("VVO")). ELPC/CUB assert that the final order incorrectly states that CVR is not cost effective. ELPC/CUB also claim Ameren is not adequately addressing VO opportunities through its Grid Modernization or AMI plans. ELPC/CUB contend that in Docket Nos. 10-0568 and 13-0495 the Commission acknowledged that VO qualifies as a Section 8-103 energy efficiency resource in ComEd's energy efficiency demand-response docket and previous Ameren cases.

Ameren believes that while its Compliance Filing establishes modified savings goals that are supported by the evidence and were contemplated by the Final Order, should the Commission disagree, AIC requests that the Commission grant rehearing on the issue and specifically identify the areas of disagreement, as well as how Ameren should address those areas.

Ameren asserts that the Final Order should be amended to provide further clarity on how the directive to include the Residential Lighting and Behavior Modification Programs in the IPA Procurement Plan process impacts the modified savings goals. Additionally, should the Commission grant rehearing on the modified savings goal, it should include this directive as part of the rehearing process.

Ameren claims the Final Order should be corrected to reflect that the funding for the on-bill financing ("OBF") program is not a "minimum," but rather a "maximum." Ameren also asserts the Final Order should be corrected to fix a clerical error and reflect approval of Ameren's portion of the gas spending limit only (as opposed to identifying the total – Ameren plus DCEO – gas spending limit as Ameren's gas spending limit).

Ameren contends the Final Order should be clarified to eliminate conflicting requirements by confirming that the conditions imposed with respect to spending funds on cost-effective measures and "over-promoting" cost-ineffective measures are subject to the Commission's previous findings that: 1) cost effectiveness is evaluated on a portfolio basis rather than on a measure basis and 2) the Commission does not believe it is necessary to direct Ameren to limit the participation of cost-ineffective measures to no more than the levels proposed in the plan.

Ameren asserts the Final Order should be amended to provide further clarity that net-to-gross values derived from the net-to-gross ("NTG") framework are applied prospectively, which would be consistent with the language of the Final Order and the Commission's findings in other energy efficiency dockets.

Finally, Ameren claims the Final Order should be clarified to specify that only the remaining electric funds must be spent on the proposed smart devices program.

On March 6, 2014, ELPC filed a Response to Ameren's filing. ELPC recommends that the Commission deny Ameren's Motion for Clarification with regard to the conclusion that requires Ameren to spend the remaining portion of the electric emerging technologies budget on the proposed smart devices program. ELPC believes

the Commission properly required Ameren to use both the electric and gas portions of the emerging technologies budget on the smart devices program.

Staff also filed a response to Ameren's Motion for Clarification. Staff opposes all aspects of Ameren's Motion. Staff believes clarification is unnecessary. Among other things, Staff argues that Ameren's proposal would not clarify the Order, but would unnecessarily confuse the Order.

On March 7, 2014, Ameren filed a response to certain statements made in the applications for rehearing of the AG/CUB/ELPC. Ameren states both applications premise their proposed "modifications" on purported "inconsistencies" between the Final Order in this docket and the Final Order in Docket No. 13-0495. Ameren believes that both Applications should be denied out of hand and/or AIC should be given the opportunity to establish why the requested "modifications" should be rejected. Ameren argues that AG/CUB/ELPC do not seek a "modification" of the Commission's ruling; instead, it claims they seek an outright reversal without a rehearing process.

On March 10, 2010, Ameren filed a "Reply in Support of its Motion for Clarification/Correction or in the Alternative Application for Rehearing." Ameren urges the Commission to grant its requested relief and clarify or correct the Final Order, or in the alternative, grant rehearing on the issues set forth in Ameren's Motion/Application on which the Commission does not grant relief. Additionally, to the extent the Commission disagrees with any aspect of Ameren's Compliance Filing, filed February 28, 2014, Ameren requests that the Commission grant rehearing on the affected issues so that they can be addressed.

Having reviewed the parties' filings, I believe the Commission should deny Ameren's Motion for Clarification. It appears that no party suggests that Ameren's February 28 Compliance Filing is inconsistent with the Commission's Order. In addition, it appears that Staff and ELPC correctly assert that what Ameren characterizes as "clarifications" is unnecessary.

I also recommend that the Commission deny all three Petitions for Rehearing. The Commission carefully reviewed all of the parties' filings in this proceeding in developing the Final Order. I see no value in granting rehearing to reconsider the parties' positions at this time.

The deadline for Commission action on these applications for rehearing is March 19, 2014.

JSY